



## DEPARTMENT OF COMMERCE

### International Trade Administration

[C-533-872]

#### **Finished Carbon Steel Flanges from India: Final Results of Countervailing Duty Administrative Review; 2019**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (Commerce) determines that countervailable subsidies are being provided to producers and exporters of finished carbon steel flanges (steel flanges) from India during the period of review (POR), January 1, 2019, through December 31, 2019.

**DATES:** Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

**FOR FURTHER INFORMATION CONTACT:** Moses Song or Natasia Harrison, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-7885 or (202) 482-1240, respectively.

#### **SUPPLEMENTAL INFORMATION:**

##### Background

On September 7, 2020, Commerce published the *Preliminary Results* of this administrative review in the *Federal Register*.<sup>1</sup> Although we invited interested parties to comment on the *Preliminary Results*,<sup>2</sup> we received no comments. Accordingly, no decision memorandum accompanies this *Federal Register* notice.

##### Scope of the Order

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<sup>1</sup> See *Finished Carbon Steel Flanges from India: Preliminary Results of Countervailing Duty Administrative Review; 2019*, 86 FR 50032 (September 7, 2021) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum (PDM).

<sup>2</sup> *Id.* at 50033.

The merchandise covered by the scope is steel flanges. For a complete description of the scope, *see* Appendix I.

#### Companies Not Selected for Individual Review

For the companies not selected for individual examination, because the rates calculated for (Norma) and R.N. Gupta & Co. Ltd. (RNG) are above *de minimis* and not based entirely on facts available, we applied a subsidy rate based on a weighted-average of the subsidy rates calculated for Norma and RNG using publicly ranged sales data submitted by the respondents.<sup>3</sup> This is consistent with the methodology that we would use in an investigation to establish the all-others rate, pursuant to section 705(c)(5)(A) of the Tariff Act of 1930, as amended (the Act).

#### Final Results of Administrative Review

Although we received no comments from interested parties, we revised the net countervailable subsidy rate for Norma, based on the additional information obtained after *Preliminary Results*, with regard to one particular subsidy program.<sup>4</sup> No other changes were made to the *Preliminary Results*.

We determine the following net countervailable subsidy rate for the period January 1, 2019, through December 31, 2019:

<b>Company</b>	<b>Subsidy Rate (percent <i>ad valorem</i>)</b>
Norma (India) Ltd. <sup>5</sup>	5.32
R.N. Gupta & Co. Ltd.	5.51
Companies Not Selected for Individual Examination <sup>6</sup>	5.44

<sup>3</sup> See Memorandum, “Final Results Calculation of Subsidy Rate for Non-Selected Companies Under Review,” dated concurrently with this notice.

<sup>4</sup> Shortly after the *Preliminary Results*, we requested additional information to clarify the POR benefit amount that one of Norma’s cross-owned entities received concerning the Electricity Duty Exemption Under the State Government of Uttar Pradesh Investment Promotion Scheme/Infrastructure and Industrial Investment Policy program. We received a timely response from Norma on September 22, 2021, prior to the deadline to submit case briefs (*i.e.*, October 7, 2021) stipulated in the *Preliminary Results*. Based on the information we received, we revised Norma’s *ad valorem* subsidy rate of the program at issue. See Memorandum, “Final Results Calculations for Norma (India) Ltd., USK Exports Private Limited, UMA Shanker Khandelwal & Co., and Bansidhar Chiranjilal,” dated concurrently with this notice.

<sup>5</sup> In this administrative review, Commerce found the following companies to be cross-owned with Norma (India) Ltd.: USK Export Private Limited; Uma Shanker Khandelwal and Co.; and Bansidhar Chiranjilal. See *Preliminary Results* PDM at 6; this finding is unchanged in these final results. This rate applies to all cross-owned companies.

<sup>6</sup> See Appendix II.

## Disclosure

Commerce intends to disclose the calculations performed for these final results of review within five days of the date of publication of this notice in the *Federal Register*, in accordance with 19 CFR 351.224(b).

## Assessment Rates

Pursuant to 19 CFR 351.212(b)(2), Commerce will determine, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries of subject merchandise in accordance with the final results of this review, for the companies listed above at the applicable *ad valorem* assessment rates listed. We intend to issue assessment instructions to CBP 35 days after the date of publication of these final results of review. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

### Cash Deposit Requirements

In accordance with section 751(a)(1) of the Act, we also intend to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts shown above for the above-listed companies with regard to shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of these final results of this administrative review. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the most recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposit requirements, effective upon publication of these final results, shall remain in effect until further notice.

### Administrative Protective Orders

This notice also serves as a final reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

### Notification to Interested Parties

The final results are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: November 23, 2021.

**James Maeder,**

*Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations.*

## Appendix I

### Scope of the Order

The scope of the order covers finished carbon steel flanges. Finished carbon steel flanges differ from unfinished carbon steel flanges (also known as carbon steel flange forgings) in that they have undergone further processing after forging, including, but not limited to, beveling, bore threading, center or step boring, face machining, taper boring, machining ends or surfaces, drilling bolt holes, and/or deburring or shot blasting. Any one of these post-forging processes suffices to render the forging into a finished carbon steel flange for purposes of this review. However, mere heat treatment of a carbon steel flange forging (without any other further processing after forging) does not render the forging into a finished carbon steel flange for purposes of this order.

While these finished carbon steel flanges are generally manufactured to specification ASME B16.5 or ASME B16.47 series A or series B, the scope is not limited to flanges produced under those specifications. All types of finished carbon steel flanges are included in the scope regardless of pipe size (which may or may not be expressed in inches of nominal pipe size), pressure class (usually, but not necessarily, expressed in pounds of pressure, *e.g.*, 150, 300, 400, 600, 900, 1500, 2500, *etc.*), type of face (*e.g.*, flat face, full face, raised face, *etc.*), configuration (*e.g.*, weld neck, slip on, socket weld, lap joint, threaded, *etc.*), wall thickness (usually, but not necessarily, expressed in inches), normalization, or whether or not heat treated. These carbon steel flanges either meet or exceed the requirements of the ASTM A105, ASTM A694, ASTM A181, ASTM A350 and ASTM A707 standards (or comparable foreign specifications). The scope includes any flanges produced to the above-referenced ASTM standards as currently stated or as may be amended. The term “carbon steel” under this scope is steel in which: (a) Iron predominates, by weight, over each of the other contained elements; (b) The carbon content is 2 percent or less, by weight; and (c) none of the elements listed below exceeds the quantity, by weight, as indicated:

- (i) 0.87 percent of aluminum;
- (ii) 0.0105 percent of boron;
- (iii) 10.10 percent of chromium;
- (iv) 1.55 percent of columbium;
- (v) 3.10 percent of copper;
- (vi) 0.38 percent of lead;
- (vii) 3.04 percent of manganese;
- (viii) 2.05 percent of molybdenum;
- (ix) 20.15 percent of nickel;
- (x) 1.55 percent of niobium;
- (xi) 0.20 percent of nitrogen;
- (xii) 0.21 percent of phosphorus;
- (xiii) 3.10 percent of silicon;
- (xiv) 0.21 percent of sulfur;
- (xv) 1.05 percent of titanium;
- (xvi) 4.06 percent of tungsten;
- (xvii) 0.53 percent of vanadium; or
- (xviii) 0.015 percent of zirconium.

Finished carbon steel flanges are currently classified under subheadings 7307.91.5010 and 7307.91.5050 of the Harmonized Tariff Schedule of the United States (HTSUS). They may also be entered under HTSUS subheadings 7307.91.5030 and 7307.91.5070. The HTSUS

subheadings are provided for convenience and customs purposes; the written description of the scope is dispositive.

## **Appendix II**

### **Companies Not Selected for Individual Examination**

1. Adinath International
2. Aditya Forge Limited
3. Allena Group
4. Alloyed Steel
5. Balkrishna Steel Forge Pvt. Ltd.
6. Bebitz Flanges Works Private Limited
7. C.D. Industries
8. CHW Forge
9. CHW Forge Pvt. Ltd.
10. Citizen Metal Depot
11. Corum Flange
12. DN Forge Industries
13. Echjay Forgings Limited
14. Falcon Valves and Flanges Private Limited
15. Heubach International
16. Hindon Forge Pvt. Ltd.
17. Jai Auto Pvt. Ltd.
18. Kinnari Steel Corporation
19. Mascot Metal Manufacturers
20. M F Rings and Bearing Races Ltd.
21. Munish Forge Private Limited
22. OM Exports
23. Punjab Steel Works
24. Raaj Sagar Steels
25. Ravi Ratan Metal Industries
26. R. D. Forge
27. Rolex Fittings India Pvt. Ltd.
28. Rollwell Forge Engineering Components and Flanges
29. Rollwell Forge Pvt. Ltd.
30. SHM (ShinHeung Machinery)
31. Siddhagiri Metal & Tubes
32. Sizer India
33. Steel Shape India
34. Sudhir Forgings Pvt. Ltd.
35. Tirupati Forge Pvt. Ltd.
36. Umashanker Khandelwal Forging Limited